

tired. And it was clear she was having the time of her life.

Loyola Chicago is dedicated to training students to be “men and women for others” and to lead extraordinary lives. It is a class act basketball program which has embodied sportsmanship ever since 1963, when it became the only Illinois school to win the NCAA tournament, and still is.

It is an honor to represent Loyola's Retreat and Ecology campus in Woodstock, and I enjoyed cheering on the Ramblers during this amazing ride.

I wish all the best to the Loyola Chicago men's basketball team, and I hope to see Sister Jean dance with them again next March.

Congratulations, Ramblers.

HONORING MILITARY CHILDREN

(Ms. FOXX asked and was given permission to address the House for 1 minute.)

Ms. FOXX. Mr. Speaker, there is no question that the Nation's warfighters are among the bravest and most selfless people in the world. It is fitting that grateful Americans often find a way to thank our servicemen and -women for their defense of our Nation.

It is also important, though, not to forget the great sacrifices children of our servicemembers make as well.

April is the Month of the Military Child, and during this month, we celebrate and honor the incredible children of our servicemembers.

Many military children serve as America's youngest ambassadors abroad when their parents are stationed overseas. They may also go long periods of time without the day-to-day parent interactions that many civilian children enjoy, such as meals together and bedtime stories.

I salute the children who, alongside their parents, bear countless sacrifices to protect our country's freedoms.

This month and every month, these children deserve our gratitude.

HONORING COMMUNITY MATRIARCH MARY NAOMI GINWRIGHT SANKS

(Mr. SOTO asked and was given permission to address the House for 1 minute.)

Mr. SOTO. Mr. Speaker, I rise to recognize a hero of our district and a wise woman of Haines City.

Mary Naomi Ginwright Sanks is 99½ years old, and a living legend.

As a resident of Haines City, she is a community matriarch, who has and continues to dedicate her life serving others.

Ms. Sanks has provided a home to more than 20 foster children, and adopted 4 children of diverse races and gender.

She is a hard worker who continuously extends her hand to help by volunteering to serve at her church and community.

Mother Sanks, as she is affectionately known by the community, is a

devoted and compassionate mentor and caregiver who continues to routinely cook and serve food for those who are sick and bed restricted throughout the community.

When residents seek Mother Sanks' advice regarding how to navigate the complexities of life, she can often be heard responding with a smooth smile and warm words of wisdom and advice to say, “keep it moving.”

CONGRATULATING ROCHESTER COLLEGE MEN'S AND WOMEN'S BASKETBALL TEAMS

(Mr. BISHOP of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BISHOP of Michigan. Mr. Speaker, I rise today to congratulate the Rochester College men's and women's basketball teams for winning their respective fourth and first-ever USCAA championships.

With a stingy defense and a strong will to win, the Rochester College men's team posted an insurmountable lead in their final game, beating the Oakwood University Ambassadors 80-61.

Men's head coach Klint Pleasant said: “In 20 years of having the privilege of coaching these young men, I can't think of a time I have ever been more proud. Toughness, resolve, commitment, and genuine relationships ruled the day.”

The Rochester College women's team knocked off the first and second seed in the tournament en route to their championship, beating Paul Quinn College 72-57.

Head coach Brent Wichtner summed up their team's success saying: “I am so extremely proud of this team and the resiliency they have shown. This will be a day I will always remember.”

Mr. Speaker, I am honored to congratulate the talented, hardworking student athletes of Rochester College.

Go Warriors.

VOLCKER RULE REGULATORY HARMONIZATION ACT

Mr. HENSARLING. Mr. Speaker, pursuant to House Resolution 811, I call up the bill (H.R. 4790) to amend the Volcker rule to give the Board of Governors of the Federal Reserve System sole rulemaking authority, to exclude community banks from the requirements of the Volcker rule, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. MITCHELL). Pursuant to House Resolution 811, in lieu of the amendment in the nature of a substitute recommended by the Committee on Financial Services printed in the bill, an amendment in the nature of a substitute consisting of the text of Rules Committee Print 115-67, is adopted, and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H.R. 4790

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Volcker Rule Regulatory Harmonization Act”.

SEC. 2. RULEMAKING AUTHORITY UNDER THE VOLCKER RULE.

(a) *IN GENERAL.*—Paragraph (2) of section 13(b) of the Bank Holding Company Act of 1956 (12 U.S.C. 1851(b)(2)) is amended to read as follows:

“(2) *RULEMAKING.*—

“(A) *IN GENERAL.*—The Board may, as appropriate, consult with the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Securities and Exchange Commission, or the Commodity Futures Trading Commission to adopt rules or guidance to carry out this section, as provided in subparagraph (B).

“(B) *RULEMAKING REQUIREMENTS.*—In adopting a rule or guidance under subparagraph (A), the Board—

“(i) shall consider the findings of the report required in paragraph (1) and, as appropriate, subsequent reports;

“(ii) shall assure, to the extent possible, that such rule or guidance provide for consistent application and implementation of the applicable provisions of this section to avoid providing advantages or imposing disadvantages to the companies affected by this subsection and to protect the safety and soundness of banking entities and nonbank financial companies supervised by the Board; and

“(iii) shall include requirements to ensure compliance with this section, such as requirements regarding internal controls and record-keeping.

“(C) *AUTHORITY.*—The Board shall have sole authority to issue and amend rules under this section after the date of the enactment of this paragraph.

“(D) *CONFORMING AUTHORITY.*—

“(i) *CONTINUITY OF REGULATIONS.*—Any rules or guidance issued under this section prior to the date of enactment of this paragraph shall continue in effect until the Board issues a successor rule or guidance, or amends such rule or guidance, pursuant to subparagraph (C).

“(ii) *APPLICABLE GUIDANCE.*—In performing examinations or other supervisory duties, the appropriate Federal banking agencies, the Securities and Exchange Commission, and the Commodity Futures Trading Commission, as appropriate, shall update any applicable policies and procedures to ensure that such policies and procedures are consistent (to the extent practicable) with any rules or guidance issued pursuant to subparagraph (C).”.

(b) *CONFORMING AMENDMENTS.*—Section 13 of the Bank Holding Company Act of 1956 (12 U.S.C. 1851) is amended—

(1) by striking “the appropriate Federal banking agencies, the Securities and Exchange Commission, and the Commodity Futures Trading Commission,” each place it appears and inserting “the Board”;

(2) by striking “appropriate Federal banking agencies, the Securities and Exchange Commission, and the Commodity Futures Trading Commission” each place it appears and inserting “Board”;

(3) in subsection (c)(5), by striking “Notwithstanding paragraph (2)” and all that follows through “provided in subsection (b)(2),” and inserting “The Board shall have the authority”; and

(4) in subsection (d)(1)—

(A) in subparagraph (F)(ii)—

(i) by striking “the appropriate Federal banking agencies” and inserting “the Board”; and

(ii) by striking “have not jointly” and inserting “has not”; and

(B) in subparagraph (G)(viii), by striking “appropriate Federal banking agencies, the Securities and Exchange Commission, or the Commodity Futures Trading Commission,” and inserting “Board.”

SEC. 3. ENFORCEMENT; ANTI-EVASION.

(a) IN GENERAL.—Subsection (e) of section 13 of the Bank Holding Company Act of 1956 (12 U.S.C. 1851(e)) is amended to read as follows:

“(e) ENFORCEMENT; ANTI-EVASION.—

“(1) APPROPRIATE FEDERAL BANKING AGENCY.—Notwithstanding any other provision of law except for any rules or guidance issued under subsection (b)(2), whenever the appropriate Federal banking agency has reasonable cause to believe that a banking entity or nonbank financial company supervised by the Board has made an investment or engaged in an activity in a manner that either violates the restrictions under this section, or that functions as an evasion of the requirements of this section (including through an abuse of any permitted activity), such appropriate Federal banking agency shall order, after due notice and opportunity for hearing, the banking entity or nonbank financial company supervised by the Board to terminate the activity and, as relevant, dispose of the investment.

“(2) SECURITIES AND EXCHANGE COMMISSION AND COMMODITY FUTURES TRADING COMMISSION.—

“(A) IN GENERAL.—Notwithstanding any other provision of law except for any rules or guidance issued under subsection (b)(2), whenever the Securities and Exchange Commission or the Commodity Futures Trading Commission, as appropriate, has reasonable cause to believe that a covered nonbank financial company for which the respective agency is the primary Federal regulator has made an investment or engaged in an activity in a manner that either violates the restrictions under this section, or that functions as an evasion of the requirements of this section (including through an abuse of any permitted activity), the Securities and Exchange Commission or the Commodity Futures Trading Commission, as appropriate, shall order, after due notice and opportunity for hearing, the covered nonbank financial company to terminate the activity and, as relevant, dispose of the investment.

“(B) COVERED NONBANK FINANCIAL COMPANY DEFINED.—In this paragraph, the term ‘covered nonbank financial company’ means a nonbank financial company (as defined in section 102 of the Financial Stability Act of 2010) supervised by the Securities and Exchange Commission or the Commodity Futures Trading Commission, as appropriate.”

(b) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to abrogate, reduce, or eliminate the backup authority of the Federal Deposit Insurance Corporation authority under the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5301 et seq.), the Federal Deposit Insurance Act (12 U.S.C. 1811), or Federal Deposit Insurance Corporation Improvement Act of 1991.

SEC. 4. EXCLUSION OF COMMUNITY BANKS FROM VOLCKER RULE.

Section 13(h)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1851(h)(1)) is amended—

(1) in subparagraph (D), by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively, and adjusting the margins accordingly;

(2) by redesignating subparagraphs (A), (B), (C), and (D) as clauses (i), (ii), (iii), and (iv), respectively, and adjusting the margins accordingly;

(3) in the matter preceding clause (i), as so redesignated, in the second sentence, by striking “institution that functions solely in a trust or fiduciary capacity, if—” and inserting the following: “institution—

“(A) that functions solely in a trust or fiduciary capacity, if—”;

(4) in clause (iv)(II), as so redesignated, by striking the period at the end and inserting “; or”;

and

(5) by adding at the end the following:

“(B) that does not have and is not controlled by a company that has—

“(i) more than \$10,000,000,000 in total consolidated assets; and

“(ii) total trading assets and trading liabilities, as reported on the most recent applicable regulatory filing filed by the institution, that are more than 5 percent of total consolidated assets.”

The SPEAKER pro tempore. The bill, as amended, shall be debatable for 1 hour equally divided and controlled by the chair and ranking minority member of the Committee on Financial Services.

The gentleman from Texas (Mr. HENSARLING) and the gentlewoman from California (Ms. MAXINE WATERS) each will control 30 minutes.

The Chair recognizes the gentleman from Texas.

GENERAL LEAVE

Mr. HENSARLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. HENSARLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, another day, another strong bipartisan bill presented to the House by the House Financial Services Committee.

I take great pride in that fact.

Today, I rise in strong support of H.R. 4790, the Volcker Rule Regulatory Harmonization Act.

I want to thank, first, the gentleman from Arkansas (Mr. HILL) for his leadership on the issue and so many other issues in front of our committee.

And I want to thank his bipartisan partner, the Democrat gentleman from Illinois (Mr. FOSTER) for his leadership on his side of the aisle on this very important piece of legislation.

As a result of their hard work, this bill was reported out of our committee, Mr. Speaker, 50–10, which means 80 percent—80 percent—of our colleagues on the committee supported the legislation, including a majority of the Democrats.

Now, Mr. Speaker, we enjoy, in America, the deepest, strongest, and most liquid capital markets, frankly, the world has ever known, and that helps us have a very strong, strong progrowth economy.

Our capital markets are vital; vital to the job growth and job-creating machine in America. Our capital markets provide very important funding to Main Street businesses and to entrepreneurs for short-term operations and long-term growth.

Main Street businesses, for example, like an equipment and party rental store in my district, whose owner is

named Arlis, who told me, “The number one issue for me to keep the doors open is access to capital.”

That is why it is so critical that we ensure that he has access to capital.

I also heard from Jeff from Henderson County in the Fifth District of Texas that I have the privilege of representing. He owns a farm and ranch store, and he explained, “During the past year, I have been able to expand my business location and double my inventory. I have been able to hire additional employees as I grow. Without access to credit, things like this would not be possible.”

Just two quick little vignettes about how in our economy capital formation, access to credit, how important that is for the job engine of America.

So again, Mr. Speaker, members of the House Financial Services Committee on both sides of the aisle have been working very hard on bipartisan pieces of legislation that can result in smarter, more efficient, more effective regulation that our hardworking taxpayers expect so that we can have robust capital formation and our job creators, our small business people like Jeff and Arlis, can continue to grow and prosper.

H.R. 4790 is just one example of this type of legislation. Specifically, Mr. Speaker, H.R. 4790 will streamline the regulatory authority set forth in section 619 of the Dodd-Frank Act, a section more commonly known as the Volcker rule. It provides a framework that will provide increased regulatory clarity for entities that must comply with the Volcker rule. It does this by consolidating—consolidating—rule-making authority and interpretation with the Federal Reserve Board, and for purposes of examination and enforcement, designating the primary Federal regulator for a covered entity as the sole regulator in those capacities.

The challenge here, Mr. Speaker, is that some entities can have as many as five different regulators interpreting the Volcker rule and five different regulators enforcing the Volcker rule. Sometimes they conflict with each other, Mr. Speaker, and, frankly, the entity doesn't know what to do. You cannot have an economy based on the rule of law when, frankly, you don't know what the law says.

So the gentleman from Arkansas (Mr. HILL) brings a very simple bill to the House floor that says we are going to have one—one—regulator in charge of interpreting the rules, and the primary regulator is going to be in charge of enforcing the rule. It is common sense. It creates efficiency.

□ 0915

Now, I want to be clear about one thing: H.R. 4790 does not repeal the Volcker rule. I wish it did, but it doesn't. That is not what we are debating here today.

Outside of providing important relief to community banks—bipartisan regulatory relief that, by the way, has already been approved by a strong two-

thirds of our Senate colleagues—this bill doesn't require any changes to the Volcker rule itself.

I highlight this because this legislation, again, represents something that Members of Congress should agree on, that regardless of how you stand on a particular rule or regulation, it at least ought to be clear, and there ought to be one interpretation and one enforcer of the rule so that you know what the rule is. You can't abide by the rule if you don't know what the rule is. This is only common sense, and it can only lead to, again, stronger, deeper, more liquid capital markets to help our job creators.

So regardless of whether we support the Volcker rule or we wish to repeal it, hopefully, we can at least agree that it shouldn't be unnecessarily complex and burdensome and virtually impossible to abide by. And so that, again, is what H.R. 4790 is simply trying to do.

Mr. Speaker, I commend this piece of legislation to all of my colleagues. It is a very important piece of legislation, again, strongly bipartisan. Eighty percent of the Members of the House Financial Services Committee support it.

Again, I want to commend the leadership of the gentleman from Arkansas (Mr. HILL), and with that, I reserve the balance of my time.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to start off with a quote from Speaker PAUL RYAN in a 2012 townhall meeting. This is what he said to his constituents: "If you're a bank and you want to operate like some nonbank entity like a hedge fund, then don't be a bank. Don't let banks use their customers' money to do anything other than traditional banking."

I agree, and that is why Congress passed the Volcker rule in the wake of the 2008 financial crisis, to prevent taxpayer-backed banks from engaging in risky, speculative activities like owning hedge funds. But since that time, Republicans have engaged in a relentless attack against the Volcker rule at the behest of Wall Street megabanks.

H.R. 4790, the so-called Volcker Rule Regulatory Harmonization Act, is the latest threat to that rule. Specifically, H.R. 4790, contains two problematic provisions that would create a loophole in the Volcker rule and make it easier for the Trump administration to weaken or repeal it.

Leading up to the financial crisis, Wall Street megabanks engaged in proprietary trading, which is essentially speculative, highly leveraged betting that benefits their bottom line but uses federally insured loans backed by the U.S. taxpayer.

These banks gambled on exotic financial instruments like collateralized debt obligations comprised of risky subprime mortgages and credit default swaps, which even the legendary investor, Warren Buffett, criticized as "financial weapons of mass destruction."

When the Housing bubble finally burst, these bets led to massive losses and required the Federal Government to bail out the banking industry with trillions of taxpayer dollars to stop an economic catastrophe. To protect the American taxpayer and the economy from this sort of risky trading as well as to return banks to the business of helping consumers and small businesses, Congress included the Volcker rule's ban on proprietary trading as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Specifically, the Volcker rule prohibits taxpayer-backed banks from engaging in risky proprietary trading and from owning hedge funds and private equity funds. It also prohibits banks from owning the very same risky collateralized debt obligations that accelerated the 2008 crisis.

According to Martin Gruenberg, Chairman of the Federal Deposit Insurance Corporation, that is, the FDIC, which is the agency charged with protecting taxpayers from bank bailouts, "had it," this prohibition, "been in place then, the Volcker rule would have constrained the proliferation of such instruments."

The result today is less reckless risk-taking by Wall Street megabanks and a stronger financial system. And despite dire predictions by Republicans, our banks have returned to lending to consumers and businesses, and our financial markets are adapting and thriving.

For example, since passage of Dodd-Frank, bank lending to businesses has increased 80 percent; and in the bond market, which has long been dominated by bank dealers, we have seen record-new bond issuance by companies, States, cities, and towns seeking to raise funds and record trading volumes in those bonds. Most other metrics also show a healthy corporate bond market.

Nevertheless, H.R. 4790 is just the latest Republican attempt to weaken the Volcker rule. First, the bill would provide a blanket exemption from the Volcker rule for 97 percent of our Nation's banks which have consolidated assets of \$10 billion or less and with less than 5 percent of those assets in trading assets.

To be clear, most community banks do not engage in any trading activities and, therefore, have no compliance requirements under the rule. However, H.R. 4790 would give all community banks the congressional thumbs-up to begin speculative trading instead of focusing on the traditional business of banking. It also makes community banks prime targets for hedge fund salesmen.

Now, why is this an area of concern for me? It is an area of concern because I hear the community banks when they say that their numbers are going down because of mergers and consolidation. This bill does not help with this problem. It makes it worse because it sends a shining beacon to hedge funds all over the country that they can peddle

risky and questionable investments to community banks, and the regulators will be none the wiser.

I am extraordinarily concerned with the extent of the affordable housing crisis our Nation is facing. We need banks to invest in housing and in our communities. I believe that community banks can provide those kind of investments.

But I am also concerned that, if the hedge funds can prey on community banks with little oversight, then they will be unable to provide the kinds of investments in housing and small businesses that communities need. Instead, we will see more community banks investing in hedge funds and possibly leaving these communities behind.

So when Members ask: How can we create more affordable housing or address the issues that experts like Dr. Matthew Desmond are raising on the housing crisis in America, one thing that we can do is not think narrowly about the impact of financial services legislation, and, particularly, legislation like H.R. 4790 that can create lasting, unintended consequences if not carefully considered.

We should think broadly and realize that the policies that we make for banks can have real impacts on the communities they serve. And the regulators and experts have done just that. They have carefully considered the bill's provisions and the unintended consequences that could ensue.

That is why the blanket carve-out in this bill is opposed by former Federal Reserve Chairman and the rule's namesake, Paul Volcker, who has said: "I know from my long experience in banking and savings and loan regulation that plausibly small loopholes can be 'gamed' and exploited with unfortunate consequences." Paul Volcker was Chairman of the Federal Reserve for part of the savings and loan crisis, which, during that time, more than 1,000 S&Ls failed, fully one-third of the industry.

The exemption is also opposed by FDIC Chairman Gruenberg, FDIC Vice Chairman Thomas Hoenig, and investors and advocates.

If we truly want to reduce regulatory burdens on community banks that engage in permitted trading activity, we should be looking at other ways to accommodate them, such as by creating a presumption of compliance with the Volcker rule, which reduces compliance costs without opening up a loophole. Rather than encouraging banks, especially community banks, to make speculative bets on hedge funds or derivatives, we should be doing everything possible to ensure banks are focused on supporting their communities by offering mortgages and commercial loans.

Second, H.R. 4790 would repeal the requirement that the Federal Reserve, FDIC; Office of the Comptroller of Currency, that is the OCC; Securities and Exchange Commission, that is the SEC; and the Commodity Futures Trading

Commission, that is the CFTC, work together to jointly implement the rule. Instead, the bill would delegate sole rulemaking authority to the Federal Reserve, which could choose to consult or not consult with the other regulators.

This would unreasonably cut the FDIC out of any future rule changes, even though it is the regulator charged with protecting deposit insurance against the very risky, speculative activities the Volcker rule was designed to prevent.

It would also cut the OCC out of the rulemaking process, even though it oversees institutions that account for approximately 40 percent of bank holding company trading revenues.

And it would cut out the SEC and the CFTC, even though those agencies have the expertise and jurisdiction over broker dealers and future traders and their marketmaking activities.

Worse, appointing the Fed a single regulator would make it easier for the Trump administration to weaken and repeal the Volcker rule, even though it was expeditiously promulgated in 2 years and the regulators are now working together to make appropriate changes. While the bill would at least allow the appropriate banking regulators—SEC and CFTC—to enforce the rule, such enforcement authority is meaningless if the Volcker rule is effectively gutted by the Trump administration.

But this is what my Republican colleagues want. Chairman HENSARLING's 600-page Big Bank giveaway, H.R. 10, known as the "Wrong" CHOICE Act, would have repealed the Volcker rule outright. H.R. 4790 is merely the latest attempt to do the same thing.

Mr. Speaker, I strongly oppose H.R. 4790, and I reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield myself 30 seconds just to say I am not sure what bill the ranking member is debating. It does not appear to be H.R. 4790, and I have my own quotes.

Paul Volcker, himself, said the Volcker rule is "much more complicated than I would like to see."

President Obama's Federal Reserve Chairman Janet Yellen, said: "Implementation of the Volcker rule is, frankly, complex. . . ."

President Obama's Federal Reserve Governor Tarullo said: "Several years of experience have convinced me that . . . the Volcker rule is too complicated."

President Obama's former Comptroller of the Currency said the Volcker rule "has been one of the most complex rulemakings I can remember being involved in."

That is why we need to simplify it.

Mr. Speaker, I am now very happy to yield 5 minutes to the gentleman from Arkansas (Mr. HILL), the bill's sponsor, one of the hardest working and most knowledgeable members on our committee.

□ 0930

Mr. HILL. Mr. Speaker, I thank the chairman, and I appreciate the chairman's leadership in bringing this bill to the floor today.

I think the American people should be very pleased that this bill is coming to the floor in the form that it is, because we are doing two things here, Mr. Speaker, that I hear about from constituents all the time in terms of the way Congress should work.

First, the Dodd-Frank Act was passed 8 years ago this July and has been scrutinized by Congresses since that time on how it can be improved. What are the implications of it? What are the unintended consequences of it?

No section of this bill was talked about more than section 619, the Volcker rule. So we are evaluating it, and we are bringing today a bipartisan solution to something that regulators say is a problem, bankers say is a problem, and our consumers and businesses have had the unintended consequences of being hurt by, because it has not allowed our capital markets to function efficiently.

So, first, Dodd-Frank is subject to review after it was passed. That is something our constituents want. We know no law is perfect when it is passed. It is not a piece of the true cross discovered by St. Helena in Jerusalem. It is not part of the Rosetta Stone. It is subject to the scrutiny of the people—our people—the American people.

Secondly, people tell me all the time: Why can't you be more bipartisan?

So, Mr. Speaker, this is people's exhibit A of bipartisanship.

The Financial CHOICE Act that this House passed last year repealed the Volcker rule. We believe it harms the capital market system of this country. We believe it was an overreaction to the financial crisis.

We had members of the Obama administration who said that proprietary trading didn't even contribute to the financial crisis. But set that issue aside. We proposed repeal. Over in the United States Senate, they passed the bill with two-thirds of the Senate, Mr. Speaker, to say that the Volcker rule is not perfect.

Section 619 is not right, and they exempt community banks under \$10 billion that don't have trading activity. They exempt them completely in the U.S. Senate bill passed with two-thirds of the Senate. I think all Americans know that two-thirds of the Senate agreeing on something is shocking. They can't even agree that there are 24 hours in a day.

So this bill represents an improvement. This bill represents bipartisanship. With my friend, Dr. FOSTER, we have worked from the yin of full repeal to the Senate-exempt community banks. We have identical language to exempt community banks in this bill, Mr. Speaker. That is why we got a 50-0 vote in our committee. It is common sense.

But we add one feature that we think improves that Senate language, and

that is the heart of what is changed in this bill and the heart of what Dr. FOSTER worked on, which is, how do we harmonize the interpretation of this 1,000-page complex rule that our Federal Reserve bank presidents don't understand and our current chairman said that trading desks had to have a Ouija board to figure out how to do a trade? So we want a standard, harmonized interpretation of this rule, and that is what Dr. FOSTER and I propose today.

They have tried other ways. We have an Interagency Working Group. They sit around, drink coffee, and figure out ways to harmonize stuff. But they have failed. There were hundreds of questions submitted: How do we interpret this rule? They could come up with 21 answers, Mr. Speaker, out of hundreds submitted.

So for that reason, Dr. FOSTER and I suggest that the Federal Reserve system be first among equals in interpreting this complex rule. Why? Because they oversee all of the bank holding companies in the country, the most complex institutions in the country. In my view, that is what we need to do.

We are bipartisan. We have compromised. We have brought both sides together. We have improved the bill. Like our chairman, I wish it were repealed, but that is not possible right now. So we take a step forward to make it a better rule that provides more certainty for market makers.

If market makers have more certainty, Mr. Speaker, broker-dealers under \$10 billion or over \$10 billion will have a more clear compliance regime. Our towns and municipalities that require in their municipal bonds having market makers and trading will get better prices, which means our water and sewer systems are going to cost less when it comes to the net interest cost. That is what we are trying to do, is improve our capital markets and let our companies have more market makers.

So, Mr. Speaker, I urge my colleagues to support this bill. I thank Dr. FOSTER for his support, and I thank the chairman for bringing it to the floor.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield 3½ minutes to the gentleman from Illinois (Mr. FOSTER), who is a member of the Financial Services Committee.

Mr. FOSTER. Mr. Speaker, I thank Ranking Member WATERS for yielding me the time and for her commitment to thoughtful debate in our caucus to get the best results for the people that we represent.

I thank Congressman HILL for working with me and our staff for months to craft the bipartisan bill that you see on the floor today.

When I first entered Congress, the Great Recession required an emergency response for lawmakers to save the economy from collapse, and then it required a thoughtful response to make sure that we would have an economy that would remain stable and work for everyone.

That is why I worked hard to draft the Dodd-Frank Wall Street Reform and Consumer Protection Act, and I am proud that it has succeeded in creating a more stable and better capitalized financial system so that hardworking families should never have to endure a similar financial crisis. The balance has generally been good between reining in risk and allowing financial services firms to play their necessary role in our economy.

We have to constantly monitor for new risks and ways that regulation may unintentionally reduce liquidity or restrict access to capital. But first and foremost, we need to fight to preserve the substantive pieces that we got right and to build on its success with improvements to the law. That includes the Volcker rule, a crucial aspect of protecting the system. The current arrangement uses a committee of five agencies—the Fed, OCC, FDIC, SEC, and CFTC—to write and update the rule.

During Volcker rulemaking, each regulator on the committee has an effective veto over any proposed policy. I spoke with former regulators who were involved in that rulemaking process and came to understand that the committee decision often formed around the weakest regulatory position, which is not good. The veto of each regulator also applies to interpreted guidance, which makes it very hard for either industry or watchdog groups to get a straight answer on what the details of the Volcker rule actually are.

H.R. 4790 would strengthen Dodd-Frank by making regulatory practices more efficient and clear. The bill, including my amendment, would make the Federal Reserve the sole rule-making agency for the Volcker rule, identify the regulator primarily responsible for oversight of an institution, and provide relief to community banks who are not going to threaten our economy by setting up a massive proprietary trading desk.

Consolidated rulemaking at the Fed will also streamline the process for updating the Volcker rule to new market conditions that may create new threats. As markets change, we need a single nimble regulator to respond by amending the rule and providing an interpretation for new conditions.

Identifying the single regulator responsible for Volcker oversight of an institution ensures consistent implementation and enforcement. This will be the Fed for a bank holding company, the OCC for a national bank, the FDIC for a federally insured State-chartered bank, the SEC for a broker-dealer, and the CFTC for a swap dealer. Importantly, the FDIC retains its backup examination authority for banks to protect the Deposit Insurance Fund with respect to all insured institutions.

Exempting small community banks will relieve a significant compliance cost that is unnecessary because few of these banks have any interest in proprietary trading. This would also allow

the regulators to focus on the largest banks which are the only ones capable of having large trading operations. These large banks hold 82 percent of all deposits and are the potential source of nearly all systemic risk.

The bill limits the exemption to banks with less than \$10 billion in assets and less than 5 percent of those assets being in trading assets.

The SPEAKER pro tempore (Mr. LANCE). The time of the gentleman has expired.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield the gentleman from Illinois an additional 30 seconds.

Mr. FOSTER. Mr. Speaker, this 5 percent limitation means that any well-capitalized small bank that decides to invest in tradeable assets could take 100 percent losses on its trading positions without becoming insolvent and without threatening the Deposit Insurance Fund. So there is no gambling with taxpayer funds involved here.

Mr. Speaker, I urge you to support a stronger Volcker rule by bringing greater efficiency and transparency to the policy formulation and greater consistency to implementation and enforcement.

I thank, again, the ranking member for yielding me the time, and I urge a “yes” vote on the final passage of H.R. 4790, the Volcker Rule Regulatory Harmonization Act.

Mr. HENSARLING. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. HUIZENGA), who is the chairman of the Capital Markets, Securities, and Investment Subcommittee.

Mr. HUIZENGA. Mr. Speaker, the ranking member seems as if she would like to have a conversation about housing and prices. I am happy to do that—I am a former realtor and builder—just not right now.

Today, we are here to talk about H.R. 4790, the Volcker Rule Regulatory Harmonization Act, introduced by my good friend and colleague, Mr. HILL.

H.R. 4790 would streamline the regulatory authority over the Volcker rule by granting the Federal Reserve the exclusive primary authority, while requiring all of the other agencies to yet do their job as prescribed.

This was really about proprietary trading. Because of the key role that market making plays in ensuring deep, liquid capital markets, the framers of the Volcker rule sought to exempt market-making activities from the coverage of its prohibition on proprietary trading.

There is just one problem: The line between impermissible “proprietary trading” and permissible “market making” is virtually impossible to draw.

To add insult to injury, the framers of the Volcker rule unartfully conferred responsibility for both implementing and enforcing the rule on five different Federal financial regulators, all of which have different mandates and regulatory philosophies: the Federal Reserve, FDIC, OCC, SEC, and the

CFTC. It is an alphabet soup of regulators.

With each regulator having different statutory mandates and regulatory missions, is it any surprise that these five agencies have failed to reach a consensus on the regulation to implement the Volcker rule’s vague legislative language?

Let me give you another example. This is a little like driving down an unmarked section of the road where the State police, the Department of Transportation, the local police, the parking attendant, and the FBI have all been told that they have primary enforcement responsibilities for the speed limit. It just doesn’t make sense. As a result, banks are getting out of the market-making business for fear of running afoul of the Volcker rule. This is a great detriment to the U.S. capital markets.

The real-world implications of the Volcker rule have been higher borrowing costs for job creators, smaller investment returns for hardworking families, and less economic activity overall because of further regulatory restraints placed on already reduced liquidity margins in key fixed-income markets, including the corporate bond market.

So, needless to say, from its inception, the Volcker rule has been a solution in search of a problem. It seeks to address activities that had nothing to do with the financial crisis, and its practical effect has been to undermine financial stability rather than to preserve it.

H.R. 4790 is a much-needed first step to addressing the numerous unintended and negative consequences of the Volcker rule. This bipartisan bill, as has been pointed out, streamlines the rulemaking authority of the Federal Reserve. It consolidates examination and enforcement authority into a single primary regulator.

This legislative measure makes important and sensible changes to ensure much-needed regulatory clarity and reduces burdensome compliance costs.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. HENSARLING. Mr. Speaker, I yield the gentleman from Michigan an additional 30 seconds.

Mr. HUIZENGA. Mr. Speaker, despite the hyperbole you are hearing from the ranking member, nothing in this bill grants the Federal Reserve the ability to repeal the Volcker rule—nothing. Additionally, the other regulators, that alphabet soup of regulators, are still required to enforce the law.

Everyone deserves to have clarity and understanding of what the rules of the road are, and that is what this bill is trying to do.

Mr. Speaker, I urge my colleagues to vote “yes” on H.R. 4790.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, when the gentleman from Michigan started his remarks, he

accused me of wanting to talk about housing. He is absolutely correct. I want to talk about housing. I believe that if we really understood the needs of our constituents all over this country, instead of talking about megabanks and how we can give them whatever they want in order to make more profits, we should be talking about housing. We should be talking about housing needs in this country.

As a matter of fact, I have said to the chairman more than once that I really would like to have a hearing on homelessness because homelessness is exploding all over the country. In the city of Los Angeles, we have probably over 53,000 homeless people every night without a place to lay their heads.

Oh, yes, we should be talking about housing. You cannot separate trading from housing in the way that maybe some would attempt to do: Oh, this is about Volcker; it has nothing to do with housing.

Oh, yes, it does.

□ 0945

Because, instead of this risky trading that the banks are doing, they should be investing in our communities and providing for affordable housing.

And let me just tell you, African-American homeownership today is as low as it was when housing discrimination was legal. There is not a single county in the United States with sufficient affordable housing.

So, yes, we should be talking about housing, and thank you for bringing it to my attention. Thank you for accusing me of wanting to talk about housing.

Last year our Nation's banks reported \$164.8 billion in profit. Had it not been for the Republicans' new tax law which required them to take a one-time charge, the FDIC estimates that the banks would have profited to the tune of \$183.1 billion, which is an all-time high and an increase of 7.2 percent from 2016 and a 26 percent increase from 2006.

So I think it is a little hard to argue that banks don't have enough money to lend, but let's look at what they did with that money.

The Wall Street megabanks returned a lot of that money to their shareholders in the form of dividends and stock buybacks. For example, in June 2017, J.P. Morgan announced a stock repurchase program of up to \$19.4 billion, its biggest buyback since the financial crisis. Citigroup also announced its largest ever stock buyback program, worth up to \$15.6 billion, and doubled its dividend.

The Wall Street megabanks also handsomely rewarded their CEOs with some of the biggest paydays since 2006. Five Wall Street banks, combined, paid their CEOs a total compensation of \$126 million, the highest amount since before the financial crisis. Each chief of the banks—which includes Bank of America, J.P. Morgan, and Morgan Stanley—received an average \$25.3 mil-

lion for their work, and that was up 17 percent from 2016.

Mr. Speaker, we listen to Chairman HENSARLING's stories. He shares a lot of stories with us that he receives from his constituents about problems they are having receiving car loans or a mortgage. And I agree, we should be doing more to expand access to credit for consumers; but what I do not agree with is the Republican argument that, if we only repealed bank regulations, then all of a sudden those individuals would receive the car loans and the mortgages that they currently cannot.

Banks are raking in money hand over fist, and they could use that money now to lend to creditworthy borrowers instead of paying millions of dollars in bonuses to their CEOs. Let's be clear about what is really going on. No amount of regulatory relief will cure Wall Street greed.

Mr. Speaker, I reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin (Mr. DUFFY), chairman of the Subcommittee on Housing and Insurance.

Mr. DUFFY. Mr. Speaker, I thank the chairman for yielding time to me.

Mr. Speaker, I want to congratulate Mr. HILL on putting together such a great bill, the Volcker Rule Regulatory Harmonization Act, a bill that you might not know from this conversation has wide bipartisan support in our committee, which has a lot of different views, left and right. It passed 50-10—passed 50-10.

I want to talk about the Volcker rule in a second, but my good friend across the aisle—I call her a friend—is talking about big banks and all the bad things they are doing. Listen, when banks do well, our communities do well. When banks don't do well, we see crises spread across America, and people get hurt.

When we talk about some of the biggest banks and making sure they have strong and stiff regulation, I would agree with the ranking member; but when we talk about their stock prices going up, we have got to ask: Who owns J.P. Morgan? Who owns Wells Fargo? Who owns the biggest banks in America?

The people who President Trump had on his stage yesterday in the Rose Garden: It is truck drivers. It is the Wisconsin teachers. It is the people who work across this country who put money in their 401(k)s that own all of these stocks. And when those stock prices rise, so, too, do the values of the 401(k)s, because they own those American businesses.

When you look at the Volcker rule and this ham-handed way in which it was put together and you are starting to reduce marketmaking in an effort to get away from proprietary trading, what you find is more volatility. And what you see then is the price of mortgages actually go up.

Having markets that actually work is a way to get the most efficient price-

ing to homeowners, which is what we are trying to do here, which is why so many Democrats voted for a bill like this from Mr. HILL.

I know this is not a housing conversation, but it is true that there are a lot more homeless people in America. We were devastated by the Obama economy.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. HENSARLING. Mr. Speaker, I yield the gentleman from Wisconsin an additional 30 seconds.

Mr. DUFFY. Mr. Speaker, I think we can't deny the fact that, when you want to buy a house, you have to have a salary. You have to have a job.

As the President likes to point out, the unemployment rate for the African-American and the Hispanic communities, of which my wife is one, is at all-time lows. They have jobs. And when you have a job, you have a salary. When you have a salary, you can buy a house.

What I don't want to do is what we did before the 2008 crisis, which is give mortgages to people who can't afford to pay them, and then they lose those homes in foreclosure and their lives are devastated. We want to make loans to people who can afford to pay the mortgage and keep their home. Now is the time under a Trump economy where people have jobs, income, and can now afford to buy a home.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is absolutely amazing. We had the gentleman earlier who said this is not the time to talk about housing, and then we have the gentleman from Wisconsin who says, when the banks do well, our constituents do well.

The banks are making millions of dollars; the CEOs are making millions of dollars; and they have bank tellers and people who work who are not even making \$15 an hour. We can't even get a minimum wage increase, Federal minimum wage increase for our constituents, and many of them are working in these megabanks where the CEOs are walking away every year with millions of dollars in pay.

So these statements, when banks do well, everybody does well, I wish my good friend would reexamine that statement because I think, when he thinks about it, he might want to retract it and take that back.

"Certainly, we have to do a better job ring-fencing, fire-walling—whatever metaphor you want to use—between an insured depository institution and a noninsured investment bank." That is a quote from Chairman JEB HENSARLING, March 2013. That appeared in *The Wall Street Journal*.

And this is just what the Volcker rule does.

"If you're a bank and you want to operate like some nonbank entity like a hedge fund, then don't be a bank. Don't let banks use their customers' money

to do anything other than traditional banking.” Again, I repeat, that is what Speaker PAUL RYAN said in May 2012 in a townhall meeting.

“I do support the Volcker rule. I think the concept of proprietary trading does not belong in banks with FDIC insurance.” That is a quote from Treasury Secretary Steve Mnuchin, January 2017, during the Senate confirmation hearings.

Another quote: “I think the Volcker rule is very important and it is good. I think the Volcker rule is good. Banks should not be a last resort to sell securities. Banks should not have prop desks buying them.”

That was Carl Icahn, the hedge fund manager and currently special adviser to President Trump on regulatory reform during a 2015 conference.

Another quote: “Proprietary trading played a big role in manufacturing the CDOs and other instruments that were at the heart of the financial crisis. . . . If firms weren’t able to buy up the parts of these deals that wouldn’t sell . . . the game would have stopped a lot sooner.”

This is a quote by Michael Madden, a managing director of the investment firm BlackEagle Partners and a former Lehman executive.

We have more quotes. Here is one: “The industry should be compartmentalized so as to limit the propagation of failures and also to preserve cultural boundaries.” That is a quote by John Reed, the former Citigroup chairman, in a Senate testimony, February 2010.

Further quoting: “A strong Volcker rule is one of the most important provisions to prevent ‘too big to fail’ financial institutions, stop conflicts of interest, and support credit in our economy. . . . Failure to comply should be severely punished.” And this is what Reed said in a letter to regulators, February 2012.

Again, in looking at all of these quotes, we find that there is one from former Democratic and Republican Secretaries of the Treasury W. Michael Blumenthal, joined by Nicholas Brady, Paul O’Neill, George Schultz, and John Snow.

This is what they said: “Banks benefiting from public support by means of access to the Federal Reserve and FDIC insurance should not engage in essentially speculative activity unrelated to essential bank services.” Again, all of these gentlemen said this in a letter, reported in *The Wall Street Journal*, February 2010. This was a letter to the editor.

And let me just, again, refer to one of the greatest economists in this country and the former Chair of the FDIC, Paul Volcker. What did he say?

He said, in essence: The five banking regulatory authorities have now successfully responded to the provisions of the Dodd-Frank Act by setting out a comprehensive regulation restricting proprietary trading by commercial banks in the United States. . . . The agencies have dealt comprehensively

with thousands of particular conceptual and practical questions raised by affected bankers, by legions of lobbyists, by other interested parties, and by the general public. . . . The result should help the process of restoring trust and confidence in commercial banking institutions. It is, after all, those institutions which benefit from explicit and implicit public support that we count on to provide a strong, safe, and effective financial system—Paul Volcker, December 2013.

“The Volcker rule will make it illegal for firms to use government-insured money to make speculative bets that threaten the entire financial system and demand a new era of accountability from CEOs who must sign off on their firms’ practices. Our financial system will be safer, and the American people are more secure because we fought to include this protection in the law.” That was President Obama, December 2013.

Mr. Speaker, with that, I will reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. HULTGREN), who has come to actually speak on H.R. 4790 as opposed to H.R. red herring, the vice chairman of the Financial Services Subcommittee on Capital Markets, Securities, and Investments.

Mr. HULTGREN. Mr. Speaker, I first want to thank the hardest working, most effective chairman in all of Congress; and I also want to thank my good friend and colleague French Hill for sponsoring this legislation. I also want to thank my friend and colleague from Illinois, BILL FOSTER, for his work on this.

I am also very happy to be a cosponsor of the Volcker Rule Regulatory Harmonization Act. This legislation strikes a bipartisan balance for simplifying some of the regulatory burden of the Volcker rule and provides a clear exemption for community banks.

□ 1000

The Dodd-Frank Act granted responsibility to five different financial regulators with implementing and enforcing the Volcker rule: the Fed, OCC, FDIC, SEC, and CFTC. Every Member of this body knows that it can be difficult to come to an agreement when you have too many cooks in the kitchen. Imagine if this were the case for promulgating, implementing, and enforcing something as complicated as the Volcker rule.

One Illinois bank, that serves thousands of my constituents, explained it is this way: “This overlapping authority with respect to interpretations and guidance, as well as examinations and supervision, is inefficient and requires unnecessary time and effort, on the part of banks as well as regulators, to ensure compliance.”

The Volcker Rule Regulatory Harmonization Act is an artful solution to dealing with this issue. It grants the Federal Reserve the exclusive rule-

making authority under section 619 of the Dodd-Frank Act and provides the sole examination and enforcement authority by an entity’s primary Federal regulator. The bill also addresses the concerns that community banks have raised with the Volcker rule.

H.R. 4790 exempts banking organizations that do not have or are not controlled by entities with \$10 billion or more in total consolidated assets and total trading assets or trading liabilities that are more than 5 percent of total consolidated assets.

Because of the Volcker rule’s complexity, even those community banks that do not conduct any proprietary trading have, nonetheless, had to incur large costs simply proving what the regulators already know, that they are not engaged in activities covered by the rule. This is simply not fair to subject community banks to these costs associated with this.

Mr. Speaker, I encourage my colleagues to support this legislation.

Ms. MAXINE WATERS of California.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Ohio (Ms. KAPTUR), my friend and champion of consumers.

Ms. KAPTUR. Mr. Speaker, I thank Ranking Member WATERS for her constant leadership to restore prudent banking to this country and rein in reckless speculation.

When six megabanks in our country control over 75 percent of the wealth, that is too much power in too few hands. It has become increasingly clear that the Republican Party is focusing its efforts in this Congress on the only issue in which the GOP can seem to collect a consensus: handing out massive giveaways to the fat cats on Wall Street and their 1 percent buddies.

The number of Dodd-Frank rollbacks we have seen this year alone is a blizzard. Now, this bill, the Volcker rule repeal, is just that, another Dodd-Frank rollback wrapped and tied with a big bow for giants Goldman Sachs and J.P. Morgan and their like.

The bill rolls back key prudent banking protections put into place to prevent another financial meltdown and protect hardworking Americans from losing their wealth. You know, not one of those buzzards went to jail.

The bill allows for a blanket exemption for the Volcker rule for banks with less than \$10 billion in assets. Oh, I feel so sorry for them. They only have \$10 billion. There is no logic behind allowing banks of a certain size to engage in the exact type of speculative—risky speculation that contributed to the financial crisis that we are still digging our way out of.

Don’t we remember Countrywide? It wasn’t so long ago. You know, my unflagging dedication to leveling the playing field and building up our prudent lenders, community banks, and credit unions is the reason I stand to object to this legislation today. We can’t allow such foundational building blocks of our communities to be wrecked again into the mangled progeny of the big six, and that is just what

my colleagues on the Republican side are about.

The SPEAKER pro tempore. The time of the gentlewoman has expired.

Ms. MAXINE WATERS of California. Mr. Speaker, I yield an additional 30 seconds to the gentlewoman from Ohio.

Ms. KAPTUR. Mr. Speaker, on top of this blanket exemption, the bill also hands complete rulemaking power to the Fed rather than having checks and balances inside the executive branch, paving the way to completely gut the Volcker rule.

You know, Fed Chair, formerly Paul Volcker, had said: "I know from my long experience in banking and savings and loan regulation that plausibly small loopholes can be 'gamed' and exploited with unfortunate consequences."

Again I say: Remember Countrywide? African Americans lost half their accumulated wealth since the founding of the Republic, Latinos a third, and everybody else a fifth. You know what, it is time to keep prudent banking elevated and curb the speculators.

Mr. HENSARLING. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina (Mr. PITTENGER), who is familiar with the eight-page bill and knows that H.R. 4790 does not repeal the Volcker rule. He happens to be the vice chairman of the Financial Services Subcommittee on Terrorism and Illicit Finance.

Mr. PITTENGER. Mr. Speaker, I thank the chairman for his exceptional leadership on this important consideration and legislation.

Mr. Speaker, I rise today in strong support of the gentleman from Arkansas, as well as the whip of the Financial Services Committee, for his work on H.R. 4790, the Volcker Rule Regulatory Harmonization Act.

Mr. HILL's legislation streamlines the rulemaking process by granting the Federal Reserve sole authority to make exemption determinations under the Volcker rule. This simplification is a vital change from the confusion and the regulatory inconsistencies of the current Volcker rule by resolving the problem of having five different regulators weighing in on the same issue. This bill also exempts community banks under \$10 billion in assets from the rule.

Mr. Speaker, I want to note that, according to the FDIC, community banks with less than \$10 billion in assets represent 92 percent of the insured institutions. Now, more than ever, actions like this need to be taken to provide relief to community banks and smaller financial institutions.

Look no further than my State in North Carolina, which has lost 50 percent of its banks since this financial crisis and the inception of the Dodd-Frank bill. Mr. Speaker, I thank Mr. HILL for his work on this bipartisan piece of legislation. It is long past time that we provide commonsense reforms to overly complex regulations passed under the Dodd-Frank Act. This is why

I strongly urge my colleagues to join me in voting "yes" on H.R. 4790.

Ms. MAXINE WATERS of California. Mr. Speaker, I reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield 1½ minutes to the gentleman from Texas (Mr. WILLIAMS), the vice chairman of the Financial Services Subcommittee on Monetary Policy and Trade.

Mr. WILLIAMS. Mr. Speaker, I rise today in support of H.R. 4790, the Volcker Rule Regulatory Harmonization Act. I appreciate the gentleman from Arkansas (Mr. HILL) for his leadership on this issue.

At over 930 pages, section 619 of Dodd-Frank, otherwise known as the Volcker rule, is as lengthy as it is complex and confusing. The Volcker rule is framed as a solution to a problem that never existed in the first place. Right now there are five different agencies responsible for overseeing the implementation of the Volcker rule. These five agencies all have different legal mandates and regulatory missions, which have led to duplicate and concurrent reviews into U.S. banks.

In the 25th District of Texas, community banks are struggling to get by and wonder why they have five different regulators knocking on their doors about the same issue. Only in Washington would that kind of backwards thinking be rewarded.

H.R. 4790 would streamline regulatory authority over the Volcker rule by giving the Federal Reserve exclusive rulemaking authority. In other words, banks won't have five different regulators coming to them about the same regulation. As a result, Main Street will be able to breathe again.

Mr. Speaker, the bottom line is this: This is a commonsense way of governing that we should see more of in this Chamber. I am proud to support this piece of legislation that passed the committee with wide bipartisan support just last month, and I encourage the whole House to vote in favor of it today.

Now, we have had a lot of quotes. I have a quote. "Business is good and business is getting better. H.R. 4790 moves our economy to new levels like we have never seen in years. ROGER WILLIAMS, small business owner. Thank you very much."

Ms. MAXINE WATERS of California. Mr. Speaker, may I inquire, how many more speakers does Mr. HENSARLING have?

Mr. HENSARLING. Mr. Speaker, the majority has three more speakers.

Ms. MAXINE WATERS of California. Mr. Speaker, I reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield 1½ minutes to the gentleman from Minnesota (Mr. EMMER), another hardworking member of the Financial Services Committee.

Mr. EMMER. Mr. Speaker, I rise today in support of H.R. 4790, which makes important changes to our finan-

cial regulatory system that will provide clarity and consistency for our community financial institutions.

I want to thank my colleague from Arkansas for bringing this important legislation forward. The Volcker rule, a creation of the Dodd-Frank Act, sought to prohibit reckless trading and investment strategies to protect consumers. Instead, it has led to yet another overly complex one-size-fits-all regulatory regime that adds additional pressure on our already overregulated community banks.

The complexities of this rule and its unintended consequences have been acknowledged by the current and prior administration as well as by Members on both sides of the aisle. The mere fact that five different agencies: the Fed; the FDIC; Office of the Comptroller of the Currency, the OCC; Securities and Exchange Commission, the SEC; and Commodity Futures Trading Commission, the CFTC, are responsible for implementing and enforcing one rule should tell the American people everything they need to know about how fragmented and confusing the Volcker rule can be.

That is why I am pleased to see H.R. 4790, the Volcker Rule Regulatory Harmonization Act come before the House today to provide an exemption for our small community financial institutions and to streamline the regulatory authority of the Volcker rule.

Mr. Speaker, this bill will free up banks on Main Street Minnesota and in towns all across the country, allowing them to spend more time lending to consumers and small businesses and less time wondering if the heavy hand of the Federal Government is going to come crashing down on him.

Again, I thank Mr. HILL for his hard work on this issue and urge my colleagues to vote "yes" on H.R. 4790.

Ms. MAXINE WATERS of California. Mr. Speaker, I continue to reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield 1½ minutes to the gentleman from Georgia (Mr. LOUDERMILK), a great member of the Financial Services Committee.

Mr. LOUDERMILK. Mr. Speaker, I want to thank the gentleman from Texas (Mr. HENSARLING) for yielding time and the gentleman from Arkansas (Mr. HILL) for bringing this bill, a very important bill, to the floor for a vote today. Mr. HILL's bill will simplify and streamline one of the most complicated regulations from Dodd-Frank, the Volcker rule.

The Volcker rule is intended to prevent banks from engaging in risky investments that do not benefit their customers, also known as proprietary trading. There are currently five Federal regulatory agencies implementing the Volcker rule. This has caused overlap, duplication, and confusion among regulated companies.

The bill on the floor today will ensure that one Federal agency, the Federal Reserve, is responsible for writing

this regulation and that each bank's primary regulator will have the sole enforcement authority for that bank. This will streamline and simplify this overly complicated rule so financial institutions can spend more of their time making loans to consumers and businesses and less time on regulatory compliance.

This bill will also fully exempt our small community banks that maintain less than \$10 billion in assets from the Volcker rule rather than requiring them to prove a negative.

There are currently 176 banks headquartered in my home State of Georgia, and all but three of them have less than \$10 billion in assets. This bill will go a long way toward relieving small community banks in Georgia from unnecessary, complicated, and burdensome regulation.

This bipartisan bill passed out of committee by a vote of 50-10 with the support of all the Republicans and the majority of the Democrats. I urge all my colleagues to support this bill.

Ms. MAXINE WATERS of California. Mr. Speaker, I continue to reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield 1½ minutes to the gentleman from Ohio (Mr. DAVIDSON), a good member of the Financial Services Committee.

Mr. DAVIDSON. Mr. Speaker, I rise on behalf of Ohio constituents who have suffered reduced access to the banking system due to the loss of community financial institutions in Ohio's Eighth District.

Like many things in Dodd-Frank that were intended to do good and protect consumers, the Volcker rule is doing the exact opposite. The Volcker rule was designed to protect depositors from having their deposits placed at risk through proprietary trading. It was not designed to discourage other forms of capital from flowing into our banking system, from increasing competition, or from lowering prices for a broad swath of customers.

This pragmatic, bipartisan compromise on Volcker is a great step forward in enabling community banks to reach their compliance costs and allow them to deploy more capital in the communities that serve.

My hope is we can move forward and pursue more commonsense solutions like this, especially to help underserved communities where we have seen local banking services dry up. I encourage support for this bill.

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Ms. MAXINE WATERS of California. Mr. Speaker, I yield myself the balance of my time to close.

This is the third bill that the majority has put on the House floor this week that is a harmful giveaway to the big banks. I could just list you all of the deregulatory bills that they have been bringing forward, but, today, the bill we are considering, H.R. 4790, would threaten the Volcker rule, which

prevents banks from gambling with taxpayer money. As we have discussed, the Volcker rule is a key component of Wall Street reform and has prevented risky, speculative behavior by Wall Street and made our economy safer. It must not be compromised.

It seems the Republicans have not learned the lessons of the financial crisis at all. They are working every day to reverse critical Dodd-Frank reforms and to reopen the door to risky and harmful practices that led our Nation to economic catastrophe, so I oppose this bill.

I do not want our Members to be tricked or fooled talking about community banks. This is not about community banks. This is about the megabanks. They always use the community banks to lead on some of these arguments so that people will think that they are doing something for community banks.

Mr. Speaker, I yield back the balance of my time.

Mr. HENSARLING. Mr. Speaker, may I inquire how much time I have remaining.

The SPEAKER pro tempore (Mr. BYRNE). The gentleman from Texas has 3 minutes remaining.

Mr. HENSARLING. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, as I listened very carefully to my friend and ranking member describe this parade of horrors that is going to befall our economy if H.R. 4790 is enacted, I would gently remind her that a majority of her own Members supported it. So all of these accusations that she has made against the majority party, I hope, and believe, she has, obviously, foisted upon the majority of her own Members who clearly do not support her in what she is attempting to do.

In addition, Mr. Speaker, I would remind all Members, contrary to the Volcker rule, that weighs in at almost 1,000 pages, H.R. 4790 weighs in at 8 pages. If you read the bill, you will discover that it does not repeal the Volcker rule. Again, I don't know what bill the ranking member was debating, but it is not H.R. 4790.

Now, Mr. Speaker, just think about it for a second. Paying your taxes—tax day is coming up—is not a pleasant time of year. And as unpleasant as that time is, think if you had to file your taxes with five different Federal agencies. Think about the fact that if you had a question about your taxes, that you had to call the Internal Revenue Service, you had to call the Department of Labor, you had to call the EPA, and you had to call the CFPB. What if you had five different agencies interpreting the Internal Revenue Code, all enforcing it in different ways? That would take one of the worst days of the year and compound it mightily.

What the gentleman from Arkansas is trying to do on the majority side, and what the gentleman from Illinois is trying to do on minority side, is say: If we are going to have a Volcker rule—

one of the most complicated, complex rules ever devised by the mind of man—maybe we ought to have one agency interpret it and one agency enforce it.

Why do we do that, Mr. Speaker?

We do that so that capital can be available to the people I spoke about in my opening statement. So that Jeff and Arlis can have capital to expand their small businesses on Main Street. That is what this is all about—so that our small businesses can thrive, so that the people who want to own a home can thrive, and so that this economy can grow. This is commonsense. It is why it is a strong, bipartisan measure—another strong, bipartisan measure that, unfortunately, our ranking member chooses not to partake in. And it is one of the reasons why, unfortunately, Mr. Speaker, if we listen to that side of the aisle—or at least a particular voice—we will continue to have bad economic growth. We need good economic growth for all of the American people.

Mr. Speaker, I urge all Members to support H.R. 4790, and I yield back the balance of my time.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 811, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HENSARLING. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 300, nays 104, not voting 25, as follows:

[Roll No. 139]

YEAS—300

Abraham	Brady (TX)	Cook
Adams	Brat	Cooper
Aderholt	Brooks (AL)	Correa
Aguilar	Brooks (IN)	Costa
Allen	Brown (MD)	Costello (PA)
Amash	Brownley (CA)	Cramer
Amodel	Bucshon	Crawford
Arrington	Budd	Cuellar
Babin	Burgess	Culberson
Bacon	Butterfield	Curbelo (FL)
Banks (IN)	Byrne	Curtis
Barletta	Calvert	Davidson
Barr	Carbajal	Davis (CA)
Barragán	Cárdenas	Davis, Rodney
Barton	Carter (GA)	Delaney
Beatty	Carter (TX)	DeBene
Bera	Chabot	Denham
Bergman	Cheney	Dent
Beyer	Clarke (NY)	DeSantis
Biggs	Clay	DesJarlais
Bilirakis	Cleaver	Diaz-Balart
Bishop (MI)	Clyburn	Donovan
Bishop (UT)	Coffman	Duffy
Black	Cole	Duncan (SC)
Blackburn	Collins (GA)	Duncan (TN)
Blum	Collins (NY)	Dunn
Blunt Rochester	Comer	Emmer
Bost	Comstock	Estes (KS)
Boyle, Brendan	Conaway	Esty (CT)
F.	Connolly	Evans

Faso	LaMalfa	Rogers (AL)	Pingree	Schiff	Tonko
Ferguson	Lamb	Rogers (KY)	Pocan	Schrader	Torres
Fitzpatrick	Lamborn	Rohrabacher	Polis	Scott (VA)	Tsongas
Fleischmann	Lance	Rokita	Price (NC)	Serrano	Velázquez
Flores	Larsen (WA)	Rooney, Francis	Raskin	Sires	Visclosky
Fortenberry	Latta	Rooney, Thomas J.	Roybal-Allard	Smith (WA)	Waters, Maxine
Foster	Lawrence	Ros-Lehtinen	Ruiz	Soto	Watson Coleman
Fox	Lawson (FL)	Rosen	Rush	Speier	Welch
Frelinghuysen	Lewis (MN)	Roskam	Sánchez	Swalwell (CA)	Yarmuth
Fudge	LoBiondo	Ross	Sarbanes	Thompson (CA)	
Gaetz	Loeb	Rothfus	Schakowsky	Titus	
Gallagher	Long	Rouzer			
Garrett	Loudermilk	Royce (CA)			
Gianforte	Love	Ruppersberger			
Gibbs	Lucas	Russell			
Gohmert	Luetkemeyer	Rutherford			
Gonzalez (TX)	M. Lujan Grisham,	Ryan (OH)			
Goodlatte	MacArthur	Sanford			
Gottheimer	Maloney, Sean	Scalise			
Gowdy	Marchant	Schneider			
Granger	Marino	Schweikert			
Graves (GA)	Marshall	Scott, Austin			
Graves (LA)	Mast	Sensenbrenner			
Graves (MO)	McCarthy	Sessions			
Green, Gene	McCaul	Sherman			
Griffith	McClintock	Shimkus			
Grothman	McEachin	Shuster			
Guthrie	McHenry	Sinema			
Hanabusa	McKinley	Smith (MO)			
Handel	McMorris	Smith (NE)			
Harper	Rodgers	Smith (NJ)			
Harris	McSally	Smucker			
Hartzer	Meadows	Stefanik			
Heck	Meehan	Stewart			
Hensarling	Meeks	Stivers			
Herrera Beutler	Meng	Suozzi			
Hice, Jody B.	Messer	Taylor			
Higgins (LA)	Mitchell	Tenney			
Hill	Moolenaar	Thompson (MS)			
Himes	Mooney (WV)	Thompson (PA)			
Holding	Moulton	Thornberry			
Hollingsworth	Mullin	Trott			
Hoyer	Murphy (FL)	Turner			
Hudson	Newhouse	Upton			
Huizenga	Hultgren	Valadao			
Hunt	Nunes	Vargas			
Hurd	O'Halleran	Veasey			
Issa	O'Rourke	Vela			
Jackson Lee	Olson	Wagner			
Jeffries	Palazzo	Walberg			
Jenkins (KS)	Palmer	Walden			
Johnson (GA)	Panetta	Walorski			
Johnson (OH)	Paulsen	Walters, Mimi			
Johnson, E. B.	Pearce	Wasserman			
Johnson, Sam	Perlmutter	Schultz			
Jordan	Perry	Weber (TX)			
Joyce (OH)	Peters	Webster (FL)			
Katko	Peterson	Wenstrup			
Kelly (IL)	Pittenger	Westerman			
Kelly (MS)	Poe (TX)	Williams			
Kelly (PA)	Poliquin	Wilson (FL)			
Killmer	Posey	Wilson (SC)			
Kind	Quigley	Wittman			
King (IA)	Ratcliffe	Womack			
King (NY)	Reed	Woodall			
Kinzinger	Reichert	Yoder			
Knight	Renacci	Yoho			
Kuster (NH)	Rice (NY)	Young (AK)			
Kustoff (TN)	Richmond	Young (IA)			
Labrador	Roby	Zeldin			
LaHood	Roe (TN)				

NOT VOTING—25

Bass	Gosar	Shea-Porter
Bishop (GA)	Jenkins (WV)	Simpson
Brady (PA)	Johnson (LA)	Smith (TX)
Bridenstine	Massie	Takano
Buchanan	Moore	Tipton
Buck	Noem	Walker
Bustos	Rice (SC)	Walz
Dingell	Scott, David	
Frankel (FL)	Sewell (AL)	

□ 1047

Messrs. DELANEY, LAWSON of Florida, and Mrs. LAWRENCE changed their vote from “nay” to “yea.”

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. DAVID SCOTT of Georgia. Mr. Speaker, during the votes held on April 13th, 2018, I was away handling important matters related to my District and attending my 15th Annual Jobs Fair held in Atlanta. If I had been present I would have voted “yes” on H.R. 4790—the Volcker Rule Regulatory Harmonization Act.

PERSONAL EXPLANATION

Mr. SIMPSON. Mr. Speaker, I was unable to be present to vote due to personal reasons. Had I been present, I would have voted “yea” on rollcall No. 138 and “yea” on rollcall No. 139.

LEGISLATIVE PROGRAM

(Mr. HOYER asked and was given permission to address the House for 1 minute.)

Mr. HOYER. Mr. Speaker, I rise for the purpose of inquiring of the majority leader the schedule for the week to come, and I yield to the gentleman from California (Mr. MCCARTHY).

(Mr. MCCARTHY asked and was given permission to revise and extend his remarks.)

Mr. MCCARTHY. Mr. Speaker, on Monday, the House will meet at noon for morning hour and 2 p.m. for legislative business. Votes will be postponed until 6:30 p.m.

On Tuesday and Wednesday, the House will meet at 10 a.m. for morning hour and noon for legislative business.

On Thursday, the House will meet at 9 a.m. for legislative business. Last votes of the week are expected no later than 3 p.m.

Mr. Speaker, the House will consider a number of suspensions next week, a complete list of which will be announced by close of business today.

Next Tuesday, April 17, is also Tax Day. While this is a day Americans usually dread, I am pleased that this will be the last year they will have to file under the old and burdensome Tax Code. Because of the Tax Cuts and Jobs

Act, not only will filing be simpler, Americans will keep more of their hard-earned money, on top of the bonuses and increased wages we have already seen.

In addition, the House will vote on several important bills aimed at safeguarding all taxpayers next week.

First, there is H.R. 5192, the Protecting Children From Identity Theft Act, sponsored by Representative CARLOS CURBELO. Studies have shown the rate of ID theft is actually 50 times higher among children than adults. This bipartisan bill would modernize fraud detection systems to prevent such theft from occurring in the first place.

Second, H.R. 5444, the Taxpayer First Act, sponsored by Representative LYNN JENKINS, which would improve the independent appeals process at the IRS, along with other crucial taxpayer services within the agency.

Lastly, H.R. 5445, the 21st Century IRS Act, sponsored by Representative MIKE BISHOP. This bill would boost cybersecurity and other IT systems in the IRS to ensure the agency serves all taxpayers effectively and efficiently.

Mr. Speaker, I look forward to the House passing all these critical bills without delay.

Mr. HOYER. Mr. Speaker, I thank the gentleman for that information. I am constrained to observe that, from my perspective, it will be the last year that we will not start creating extraordinarily more debt for our country. But that aside, let me ask the gentleman a couple of questions.

First of all, there has been discussion in the press, certainly, and some discussion in the Congress about a possibility of a rescission package. As the gentleman knows, both he and I, the Speaker, Leader PELOSI, Mr. MCCONNELL, and the White House, worked very, very hard on reaching an agreement so that we could pass an omnibus some weeks ago. That omnibus was the result of some very hard bargaining and negotiations and trade-offs, and certainly, not—I don't think anybody was pleased with everything that was in that bill, or, frankly, that wasn't in that bill.

I am, therefore, very concerned that I now hear talk about we are going to, in effect, go back on the agreement that we reached. It was clear that there were some things in there that I didn't like and others didn't like, and I am sure that was the case with yourself as well, Mr. Leader. But it was an agreement. It was an agreement reached after hard discussions, over months, and it was a very late agreement at that, funding 2018 finally until September 30, not until last month.

□ 1100

So I am very concerned about the possibility that we are going to try to, in effect, relitigate that issue.

Can the majority leader give me some insight as to whether or not, in fact, we will be facing a rescission

NAYS—104

Blumenauer	Ellison	Lee
Bonamici	Engel	Levin
Capuano	Eshoo	Lewis (GA)
Carson (IN)	Españillat	Lieu, Ted
Cartwright	Gabbard	Lipinski
Castor (FL)	Gallagher	Lofgren
Castro (TX)	Garamendi	Lowenthal
Chu, Judy	Gomez	Lowe
Cicilline	Green, Al	Luján, Ben Ray
Clark (MA)	Grijalva	Lynch
Cohen	Gutiérrez	Maloney,
Courtney	Hastings	Carolyn B.
Crist	Higgins (NY)	Matsui
Crowley	Huffman	McCollum
Cummings	Jayapal	McGovern
Davis, Danny	Jones	McNerney
DeFazio	Kaptur	Nadler
DeGette	Keating	Napolitano
DeLauro	Kennedy	Neal
Demings	Khanna	Nolan
DeSaulnier	Kihuen	Norcross
Deutch	Kildee	Pallone
Doggett	Krishnamoorthi	Pascarell
Doyle, Michael	Langevin	Payne
F.	Larson (CT)	Pelosi